

TUA NEWS RELEASE

TAXPAYERS UNITED OF AMERICA

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FOR IMMEDIATE RELEASE
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Hold on to Your Wallets

Chicago – Taxation serves one purpose only: to grow government, according to Jim Tobin, noted economist and president of Taxpayers United of America (TUA).

“Government bureaucrats are always looking for ways to get more of your hard-earned money. God forbid you choose to smoke in Chicago. You now have to pay \$7.17 in taxes for each pack, the highest rate in the country,” added Tobin.

“Bureaucrats love to tax vices; they are such an easy target. They sell outrageously high taxes on things like cigarettes as ‘the responsible thing to do’ – and people soak it up!”

“Government taxes for one reason only – to grow and sustain government. Government is not altruistic and does not have any interest in reducing the rate of smokers. They would lose too much revenue if everyone actually quit smoking.”

“When taxes like those on cigarettes are sold as a deterrent to high-risk behavior, it is simply a marketing strategy to easily pass a tax increase. The bureaucrats rely on the naiveté of their constituents.”

“The reality is that increasing taxes locally drives business to neighboring communities. In the case of cigarettes, you create a significant black-market opportunity. Cook County Sheriff, Tom Dart, attributed the lower than anticipated cigarette tax revenue to the growing black market cigarette operations throughout Chicago and Cook County.”

“The real issue is, why do we need to keep increasing tax revenue? The answer is simple. Pensions. The government pensions are the real budget drain. 75% to 80% of local taxes go to pay government employee salaries and benefits, and that doesn’t include the state pension funds. But it does include the municipal police and fire pensions in most cases.”

“The State of Illinois and many of the communities within are in dire financial straits because of the gold-plated pensions that have been promised to the government employees. It is mathematically impossible to tax your way out of the problem, however, the bureaucrats will try with all their might.”

“Government budgets across the state are hurting and they will seek to tax everything that moves, if they have Home Rule taxing powers, although cigarettes are so special they can be taxed even without Home Rule authority.”

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Home Rule gives local government the authority to increase taxes or create new taxes, with very few limitations, without a referendum. There are approximately 150 Home Rule units in Illinois.

“I caution everyone to be diligent in monitoring the activities of the Home Rule unit governing bodies. As state money decreases, local governments will be looking to increase revenue through Home Rule taxes.”

“This is a great time to repeal Home Rule. As a matter of fact, TUA has been contacted by activists in 3 Home Rule communities to help them launch a campaign to repeal Home Rule.”